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# AGRICULTURAL COOPERATION

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#### BY-LAWS AND VESTED RIGHTS THEREUNDER

The case of Whitney V. Farmers! Cooperative Grain Company, recently decided by the Supreme Court of Nebraska, 193 N. W., 103, presents a question of importance to those interested in cooperative associations. It appeared that at the time Whitney purchased stock in the Cooperative Grain Company he signed a contract which among other things said that the company would "pay back to any shareholder leaving the territory the cash invested." A by-law adopted by the company was in harmony with this stipulation, and read as follows:

Any shareholder selling out and leaving the community, thereby establishing his market place elsewhere, may, upon ninety days' notice to the board of directors, receive back from the Company the cash he paid to the Company for shares of capital stock.

Whitney moved from the farm where he lived when he purchased ten shares of stock in the Company to another farm. At the time that he purchased the stock he lived one and one-half miles from Springfield, Nebr., and this was his market place. The farm to which he moved was three and one-half miles from Springfield, and was approximately the same distance from Richfield, Nebr. However, owing to the fact that Richfield was more accessible than Springfield on account of hills, he regarded Richfield as his market place. Owing to this fact he brought suit against the Company in pursuance of the contract which he signed and the by-law referred to, for the recovery of one thousand dollars (\$1,000), the amount which he had baid for ten shares of stock. The lower court found that Richfield was his market place, and rendered judgment in his favor and against the Commany for the arount sued for. The Company then appealed the case to the Supreme Court of Nebraska. It was there urged that the Company did not have the right to purchase its stock. In overruling this proposition, the court said in part:

The weight of authority seems to be that a corporation may purchase its own shares of stock, unless restrained by its charter, or by statute, or by-law, provided the purchase is made in good faith, without intent to injure creditors or stockholders. And especially is this true where the contract of sale and repurchase are inseparable parts of the same instrument.

Fremont Carriage Mfg. Co. v. Thomsen, 55 Neb. 370, 91 N. W. 376; Schulte v. Boulevard Gardens Land Co., 164 Cal. 464, 129 Pac. 582, 44 L. R. A. (N.S.) 156, Ann. Cas. 1914P, 1015; Adam v. New England Investment Co., 33 R. I. 193, 80 Atl. 426.

In other words, at common law, in the absence of a prohibition a corporation or association is generally held to have authority to purchase its own stock. Burnes v. Burnes, 137 Fed. 781, and cases cited above. Of course, if the charter or statute under which the corporation is formed confers this power all doubt on the subject is resolved.

In contrast with the principle just stated, attention is called to the fact that at common law the general rule, subject to certain exceptions, is that a corporation lacks authority to purchase the stock of another corporation. First National Pank of Ottawa v. Converse, 200 U. S. 425; Central Life Securities Co. v. Smith, 236 Fed. 170.

It was contended by the Company that Whitney at the time he became a stockholder agreed to abide by existing and future by-laws, and that the by-law providing for the refunding of money to a stockholder in the event he moved out of the community had been repealed, and that this repeal relieved the Company from any liability to him. In passing upon this contention, the Supreme Court said that the asso-. ciation could not abrogate its contract by a by-law, and pointed out that the well-established rule that a stockholder or member of a corporation or association who agrees to abide by existing and future bylaws is bound by all reasonable by-laws adopted after he becomes a member, regulating the objects and purposes of the organization, is subject to the exception that they must be in harmony with its existing contracts and legal obligations. In considering this matter, it should be borne in mind that an association or corporation is as free to enter into all proper contracts with its members as it is to enter into such obligations with third persons. It will be remembered that a contract of a Company with a stockholder or member may be contained in by-laws as well as in independent agreements. By-laws are usually considered as expressing a contract between the corporation and its members and between the members itself. Strong v. Minnesota Automobile Trade Association, (Minn.) 186 N. W., 800. Although the point is not made by the court, it would appear that in the instant case Whitney had not voted in favor of the repeal of the by-law, providing for the refunding of money to a stockholder in the event he moved from the community, nor apparently had he otherwise agreed thereto. If he had done so it is submitted that he would have been estopped to seek the recovery of his money from the association. Farrier v. Ritzville Warehouse Co., (Wash.) 199 Pac. 934, Kent v. Quicksilver Mining Co., 78 N. Y., 159. Although the majority of the members or stockholders of a corporation or association may adopt by-laws which will be binding on the minority, Iowa State & Savings Bank v. National Bank, (Neb.) 183 N. W., 982, the right to adopt by-laws is not unlimited. If the by-laws in question impair vested rights or contract obligations they are generally held to be void although the complaining member agreed at the time of joining to be bound by all existing by-laws and those which might subsequently be

adopted. In Jacuer v. Grand Lodge, O. of F. V. (Wis.) 135 Wis. 869, 39 L. R. A. (H.S.) 494, Jaeger had agreed to be bound by all by-laws which might be adopted. The mutual benefit society involved attempted by a by-law to make on increase in the rate of assessment date from the inception of the policy, and to deduct the amount from the face of the policy. The by-law was held void. In Farrier v. Ritzville Varehouse Co. (supra), the charter of the company expressly gave it the right to adopt by-laws. An original by-law of the Grain and Warehouse Company provided that one-half of the dividends should be distributed among all the stockholders equally and the rest among those selling wheat to the company in proportion to the amount sold. A subsequent amendment to the by-law limited the dividends to 7 per cent and provided that the balance of the earnings should be distributed among the stockholder potrons. The by-law as amended was held void, the court holding that the minority stockholders had vested rights which required that the earnings should be distributed in accordance with the original by-law.

The fundamental rule undorbtedly is that a majority of the stock-holders or members of a corporation or association may adopt by-laws which will be binding on the minority, yet as this article indicates, this rule is subject to exceptions and the subject should be carefully considered and investigated prior to the adoption of by-laws, especially when property rights or vested interests may be affected.

I. S. Hulbert.

## OPERATIONS OF VIRGINIA WOCL FOOL REPORTED

The wool pool conducted by the Virginia Gooperative Sheep and Wool Growers' Association in 1922 contained 57,315 pounds of wool, of which the higher grades netted the growers about 42¢ and in some instances as high as 45¢. The number of members selling through the pool was 470 as against 493 in 1921 when many growers had two years' clip for sale. Proceeds of the 1922 sales amounted to \$79,292, of which \$75,737, or 90% of the receipts, was paid to growers. The opinion is expressed by the secretary of the association that growers are paying more attention to good grades of sheep, resulting in a higher class of both lambs and wool.

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## A MATIONAL SHEAT MARKETING ACENCY ESTABLISHED

The American Theat Grovers, Associated, Inc., was recently formed to act as sales agency for the State Theat grovers! associations of North Dakota, South Dakota, Minnesota, Montana, Washington, and Idaho. It is expected that associations for other States will be added soon. The new association will be directed from a headquarters: office at Minneapolis. The country is divided into three selling zones with a board of control for each. Selling offices will be conducted at Minneapolis, Juluth, Spokane, Seattle and Portland.

#### ALBERTA GOVERNMENT STUDYING COOPERATION

A subcommittee of three members has been appointed by the Cabinet of the Province of Alberta to make a thorough study of cooperative marketing. The Hon. George Hoadley, Minister of Agriculture, and the Honorable Mr. Brownlee, Attorney General, are members of this committee. A quantity of information has already been collected for the use of the committee in making the study.

A conference of the cooperative associations in the Province of Saskatchewan is to be held in the Parliament Buildings, Regina, May 31 and June 1. This is to be largely a conference of managers of associations.

In Manitoba the United Grain Growers, Ltd., established a cooperative cattle pool the middle of February. The following table shows results of the first weeks of operation, with the percentage of increase above the market price at Winnipeg on the day of delivery:

Pool No.:	Period :	Fumber of	Cattle :	Per Cent of Increase
:	. :		:	
1 :	Feb. 15-28:	689	:	9.3
2 :	March 1-7:	41.1	:	4.2
3:	" 8-14:	981		4.0
<u> </u>	" 15-21:	707	:	3.1
5 :	" 22-31:	952	:	Not
:	····		:	Complete

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## DARK TOFACCO GROWERS' ASSOCIATION IS ACTIVE

One million dollars was distributed to growers in the one-sucker district by the Dark Tobacco Growers: Cooperative Association, Hopkinsville, Ky., on May 15. This was the second distribution and was made at a series of mass meetings. Each grower was expected to report at the pool warehouse where he delivered his crop. Growers who were not present received their checks by mail the following day.

The first three suits filed against violators of the marketing contracts were heard in the Ballard County Circuit Court, April 20. All the legal points involved were decided in favor of the association. The constitutionality of the Bingham cooperative act was upheld, the legality and validity of the contracts were sustained, and the provision requiring the payment of attorney's fees was expressly approved by the court. In addition the defendants were ordered to deliver the remainder of their crops to the association.

A systematic membership campaign is to be conducted during the next two months in the one-sucker district and it is expected that the distribution of one million dellars on May 15 will influence many non-members to sign the contracts. The campaign will close July 31 and after that date no growers will be permitted to sign for the 1923 crop in that district.

### THE INTERNAL ORGANIZATION OF TUSSIAN COOPERATION

The basic unit of cooperative organization in Russia, whether it be in the field of marketing, supply, credit, production, is the Iccal or primary society. Locals are generally organized in district unions varying in size, combined in their turn in provincial unions. Economic interests, and not geographical divisions, determine the size and jurisdiction of the organization. The provincial union is an organization of district unions and such primary societies as have no district union in their territory; it is not an organization of individual farmers. Capping the provincial unions is the national federation of provincial unions and of such district unions which for reason of size have the privilege of direct affiliation to the national federation. In the field of agriculture, the national federation is known by the abbreviated name "Selskosoyus" (Agricultural Union), which represents 300 district and provincial unions, by direct and indirect affiliation, or 90% of those registered in April, 1923.

The business of a primary society is directed by a Board of Management, usually three in number, supported by an Advisory Council. All officers are elected by the members in their annual meeting. The members also elect a Committee of Inspection having powers of examination and supervision of the affairs of the society and the right to convene special meetings in case of irregularities in the management. At the annual members meeting, the Board of Management, the Supervisory Council and the Committee of Inspection, report separately on the condition and prospects of the society. The principle of local organization is based on continuous publicity and checking with the idea of preventing wrong and loss before they take place. When a local society elects to become a member of the district union, it retains its autonomy in every respect, except that it submits to a wider system of publicity, audit, grading, storing, checking. The terms of affiliation include inspection by officers of the union, the obligation to submit financial and statistical data at stated periods, as well as an agreement to trade with the union.

The management of the district or provincial union is organized in the same manner as that of the primary society. The supreme authority, in this case, is the meeting of the delegates sent by the locals. The delegates elect the Board of Management, the Supervisory Council and the Committee of Inspection. As in the case of individuals in primary units, the member societies in the union have a "binding" or "mutual maintenance" agreement for common action in supply and marketing activities. The union is in a position to employ experts, educators, and field men who are in contact with the local societies, studying their problems and their needs. Each union has a trade department, divided into a number of commodity divisions according to the requirements of its business and territory, and a non-trade department concerned with problems of organization, propaganda, education, research, publication, legal aid, etc. The dual functions of Russian cooperation -- trade and non-trade -- are its distinguishing traits; in most countries, functions other than business are reserved

to special federations. Each commodity division is in contact with the interested local societies, holding common councils and aiming in this way to coordinate local and central interests. The commonaity council is usually reinforced by representatives of the financial, legal or educational division of the union, as the case might be, depending of course on the nature of the problem under consideration. The union is a wholesale organization, working as a rule for the account of its memoer societies, executing their orders on commission; at the same time it is empowered to do business on its own account, to organize production or the partial conversion of raw materials, to acquire property, etc. As in the case of the local society, the delegates at their meeting study the reports submitted independently by the Board of Management, the Supervisory Council and the Committee of Inspection, consider problems of business requiring their approval, exercise disciplinary powers, approve the preliminary budget which serves as a guide to the managers for the coming year, and vote on the distribution of net earnings.

The national federation has a work even more varied and complex in character. It represents the movement before all public and government bodies; it carries out economic and statistical surveys and uniform accounting records, and serves as a helpful guide to its member unions. The federation is a national supply and marketing organization in the domestic and foreign trade, engaging in work which can not be carried on effectively by its members without excessive overhead costs to them. It also arranges for short and long-term credits in central banking institutions, which it passes on to the members and so down the line to the local societies. As in the case of the provincial union, the national federation is organized in a number of commodity and non-trade divisions, each correlating its work with the functions of similar divisions maintained by the members. The national federation also brings the various experts of the movement together for common conferences, -- now it is the bookkeepers, now technicians, statisticians, now the extension instructors. Special commodity federations on a national scale are set up when conditions justify their separate existence. The Flax Central, the Potato Union, and the Forestry Union are illustrations of commodity federations, but although territorial in scope, they are memoers of the "Selskosoyus." Every practical effort is made for coordination and unity in the movement, with the preservation of maximum of local autonomy and initiative.

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#### WISCONSIN POTATO EXCHANGE IS INCOPPORATED

Articles of incorporation of the Wisconsin Fotato Exchange were filed with the Secretary of State, February 1, 1925. This is a non-stock, non-profit association, grower-cwned and grower-controlled. A president, a vice-president, and a secretary-treasurer were elected, also a board of nine temporary directors.

The secretary reports under date of May 21, that the exchange probably will not handle any potatoes this season.

#### LOGAN BERRIES BIG ITEM WITH OPEGON COOPERATIVE

The fresh fruit department of the Oregon Growers' Cooperative Association, Salem, Oregon, handled 4,69+,137 pounds of small fruits during the 1922 season. Of this quantity 2,814,121 pounds was loganberries, and 1,262,233 pounds was cherries. Other fruits were black-caps, blackberries, gooseberries, strawberries and rasporries. These fruits come from three sections, the Willamette Valley, the Umpqua Valley, and The Dalles. Large quantities of apples and Bartlett pears were also handled, the total of the Bartlett pears being 7,150,655 pounds, of which 5,706,476 pounds came from the Medford district, and 393,099 pounds from the Willamette Valley.

The dried fruit department handles prunes, loganberries and cherries. The quantity of dried prunes received and packed was 20,634,333 pounds, of which more than 36% came from the Willamette Valley. The quantity of dried loganberries handled was 202,050 pounds as compared

with 64,954 pounds in 1921.

Certain radical changes were made in the organization early in 1922 when a new board of directors was elected. The Field, Traffic, and Furchasing Departments were abolished. The president was authorized to appoint committees of three members each as follows: Fresh Fruit, Dried Fruit, Plant, Field, and Canning, and a Ways and Means committee of three was elected. The continuance of these committees for 1923 has been recommended.

The Washington Growers' Association was allowed the use of the trade name "Mistland" and an appropriation of one-sixth of one cent per pound, or \$40,000, was authorized by the two associations for advertising purposes. The actual expenditure was about \$23,500.

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#### MILY PRODUCERS' ASSOCIATION SHOWS INCREASING BUSINESS

Operations of the Twin City Milk Producers' Association, St. Paul, Minn., for the month of April, resulted in two new records. More milk was handled per day, and more milk was sold to distributors than ever before. Sales to distributors for the month amounted to 11,833,422 pounds, or an average of 11,200 pounds a day more than in March. The price paid for milk was \$2.42 per cwt. as compared with \$1.93 for April 1922. Expenses amounted to 19 3/4 cents, divided as follows: General, including office expense, testers, executive committee, etc., 5 cents; station expense, 7 1/2 cents; supplies, 5 cents; sinking fund, advertising, etc., 2 1/4 cents. The price paid for butter fat was 43 cents. A net gain of 1446 new members is shown for the first four months of 1925.

A new plant has been completed with equipment for condensing milk and is handling 120,000 pounds of milk a day. About 90,000 pounds of this is sold to local distributors and the remainder is made into different forms of condensed milk. It is expected that the manufacture of skim milk into condensed milk products will result in an additional income of 30 cents per cwt. Milk is being hauled to this plant by 750 members.

#### STEADY GROWTH ATTRIBUTED TO HARD WORK

"Just plain work" is the secret of the steady growth of the Eugene Fruit Growers' Association, Eugene, Ore., according to the statement of J. O. Holt who has been manager ever since the association was organized. The association opened its doors in January, 1903, to handle fresh fruit and growers' supplies. It was organized as a cooperative association with 80 members and an authorized capital stock of \$5,000, of which only \$750 was paid in. From this small beginning the association has grown to a membership of 1,392, maintaining plants at three points, handling 30% of the fruit of Lane County, and claiming to be "the most complete and diversified producers' organization in the world." The capital stock now outstanding amounts to \$167,650, on which 6% dividends are paid.

The prune crop is the largest single item handled. Prunes are dried, graded and packed in a thoroughly up-to-date drying plant. About thirty kinds of fruits and vegetables are canned, and kraut, cider, vine-gar and pickles are made. The quantity of fruits and vegetables handled in 1922 was 7,830,399 pounds, exclusive of prunes and walnuts, which amounted to over 2,500,000 pounds. Canned goods include rhubarb, beets, string beans, wax beans, cucumbers, tematoes, pumpkins, squash, gooseberries, strawberries, raspberries, loganberries, blackberries, cherries, plums, apples and prunes.

New departments have been added as rapidly as the association could finance and handle them, and besides the dryer, the cannery, and the specialties department, there is a large ice plant and ice cream factory, with a cold storage plant adjoining, a box factory, and a spraying materials department.

Gross sales of the association during 1922 amounted to \$900,000, of which the chief items were as follows:

Canned good	ls .					\$660,242
Ice						30,000
Ice cream						55,850
Vinegar				•		13,000
Specialtie	s (Incl	udi	ng pe	ctir	1,	- ,
cand	ied fru	it a	and n	aras	š <b>–</b>	
chine	o cherr	ies	) .			16,000
Merchandise	e .					25,000
Pox departs						45,365

A new and complete canning factory was tuilt in 1920, and as many as 500 women are employed during the rush season. The management plans to have the work of the box factory done by the regular men during the dull season in other departments. Approximately 1,310,000 feet of lumber was cut in the box factory in 1922, and in the same year 782 barrels of lime-sulphur spray was manufactured.

#### MARKETED OVER FIVE THOUSAND TONS OF ALMONDS

The year ending April 1, 1923, is reported by the California Almond Growers' Exchange. San Francisco, Calif., as "the most successful in its history." In the ten months from June 1, 1922, to April 1, 1923, the membership increased from 2,457 to 2,938. Growers delivered 5,743 tons of almonds to the exchange, and gross sales amounted to \$2,024,025.

Direct sales were made by the exchange to 2,498 customers in 603 cities. A table of prices received by growers from the exchange since 1910, for four varieties, shows that for the three best varieties the 1922 prices were better than for any year except 1918, 1919 and 1920, and better than the 12-year average.

One cent per pound was authorized by the management for advertising purposes, but less than half a cent was spent, amounting to a total of \$33,361. Among other items of expense the following are some of the larger figures:

San Francisco Office	\$29,569
Tariff Promotion (1922)	15,807
Sales Legartment and Specialty Work	
(San Francisco, Chicago, New York)	47,243
Production Department	2,023
Reorganization and Membership	67,052

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#### FARMERS' ASSOCIATION AIDS IN PURCHASING AND MARKETING

A turnover of \$115,016,075 during the year 1922 is reported by the Misscuri Farmers' Association, Columbia, Mo. Furthermore, the year closed with a reserve fund of \$503,173.84. This association was organized by the Farm Clubs of Misscuri, August 29, 1917, to assist the schoolhouse clubs and the county clubs in the purchase of commodities and to aid in building up a system of marketing. Feed, flour, coal, seeds, fertilizer, salt and binder twine are among the items purchased. Grain elevators, produce exchanges and live-stock shipping associations are organized to market products more advantageously. The association is now affiliated with 500 produce exchanges and 9 cold storage plants. Fifty-eight of the 115 counties of the State have county secretaries.

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#### CANADA ISSUES BULLETIN ON MARKETING POULTRY PRODUCTS

"Cooperation in Marketing Poultry Products" is the title of Eulletin No. 25--New Series, recently issued by the Dominion of Canada Department of Agriculture. T. A. Benson is the author. Fundamental principles are considered and detailed information is given for the guidance of any group planning to organize to market poultry products.

#### EIGHTY-SEVEN POOLS FOR CKLAHOMA COTTON

The 1922 cotton handled by the Oklahoma Cotton Growers' Association, Oklahoma City, Okla., was grouped according to color, grade and staple, into 87 pools. A list issued by the association shows the gross price received for each pool; the highest price received for any one pool being  $32\phi$  and the lowest,  $24.06\phi$ . Arranging the pools in groups according to prices received gives the following table:

			(Cents per pound)
2	pocls	brought	32
2	17	11	31 plus
3 2	17	H	30 "
2	11	£‡	29 "
17	11	11	28 "
17.	11	11	27 "
15	17	Ħ	26 "
19	\$1	11	25 "
11	ŧŧ	11	5 <u>j</u> t u
Tot	al ave	erage pri	ice 25.855

The total charge for handling and operating expenses was 3.7%. The actual compress demurrage of each bale was determined and charged against its particular bale. The final payment, for which preparations are being made, will be accompanied by an itemized statement for each grower showing the tag number, the charges, and the balance due for each bale.

One thousand and six new members were added to the association during the month of April, making the total membership 59,578.

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#### NEBRASKA FARMERS' UNION REPORTS ON LIVE STOCK BUSINESS

Live-stock commissions are operated by the Farmers' Educational and Cooperative State Union of Nebrasha on the markets at Omaha, Nebr., St. Joseph, Mo., and Sioux City, Iowa. The 1922 business transacted on the three markets is reported as follows:

	:Cars	Handled	:Commissions:	Expenses :	Net Savings:	Ret. to
	:		: :	:	:	Fatrons
	:		: :	;	:	
Omaha	:		:\$128,432.24:			
St.Joseph	;	8, 240	: 134,075.86:		85,610.00 :	
Sioux City		3,835	: 65,000.00:	<u> </u>	23,339.00:	44.0%

These three commission associations do not have separate incorporation, but are operated by the board of directors of the State Farmers' Union which is an incorporated, non-stock, non-profit association.

#### LOCAL MANAGERS OF COTTON ASSOCIATION TO MAKE PERSONAL CANVASS

The Staple Cotton Association, Greenwood, Miss., announces in its official organ, the Staple Cotton Peview, of May 1, that plans are being perfected to have the local managers travel through their respective districts during the next three months and personally meet and confer with the entire membership as well as other planters and business men. Information is to be obtained from each planter regarding acreage in cotton and in feedstuffs, the kind of seed planted, the amount of labor engaged in producing the crop, the extent of the use of soda and calcium arsenate, the number of bales of cotton produced last season, the current season, and in a normal year. With this information it will be possible to prepare accurate statistics of vital interest.

Officials of the association are looking toward cooperation with the cotton mills and believe that eventually the growers will grow only such cotton as the mills want, that the mills will buy direct from the association, that cotton will be grown and manufactured at a profit satisfactory to producers and to the mills, and the surplus will be carried by the growers and the mills in their warehouses.

Distributions of the association to date for this season are \$19,481,247.06, as against \$14,642,980.75 for the same period last season. On April 25 the percentage of liquidation was 70.31% of total receipts, as against 70.61% the previous season.

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#### SIX ASSOCIATIONS COOPERATE FOR MARKETING PEACHES

Plans for handling the 1923 peach crop are already being made by the Jersey Fruit Growers' Cooperative Association, which handled 149,308 bushels of peaches and 17,290 bushels of summer apples for its members in the 1922 season. The manager states that plans include a separate marketing policy on peaches sold by the car from those sold in broken lots or by the motor-truck load. The federation is made up of six local units, namely: Vineland Cooperative Association of Cumberland County, Holly Fruit Growers and Cooperative Packing Association, Camber Fruit Growers' Cooperative Association, Moorestown Fruit Growers' Cooperative Association, Eurlington Fruit Growers' Cooperative Association, Eurlington Fruit Growers' Cooperative Association,

The efforts of this association helped to stabilize the prices on peaches in the Philadelphia market in 1922, resulting in better conditions for the fruit industry of New Jersey.

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#### SMAIL PERCENTAGE OF DARK TOBACCO CONTRACTS BROKEN

The Dark Tobacco Growers' Cooperative association, Hopkinsville, Ky., announces that less than fifty members out of a total of 60,000 have failed to deliver all their crop to the pool. Approximately 7,000,000 pounds of tobacco was delivered the week ending May 26, bringing the total receipts up to 165,000,000 pounds.

## WASHINGTON APPLES GO INTO FORTY-SIX STATES AND TO OTHER COUNTRIES

Apples from the Wenatchee District Cooperative Association, Wenatchee, Wash., were shipped during the 1922-23 season into every State of the Union except Idaho and Vermont, reaching 252 separate markets, according to the annual report of the manager, dated March 20, 1923. Fruit was also shipped into six Canadian provinces, into Mexico, Cuba, South America, Denmark and the United Kingdom, a total of 179 cars having been exported, or about 10% of the sales. New York City used 12% of the shipments; Boston, 4%; Philadelphia, 4 1/2%, Chicago and Detroit each, 2%; Los Angeles, 2 1/2%; Cleveland, 1 1/2%.

The total number of boxes of Winter apples sold was 1,300,218, or 1,720 cars. Of this number 46% graded Extra Fancy; 29%, Fancy;

20%, C Grade; and 5%, other grades.

Large quantities of other fruits were also handled, including cherries, apricots, peaches, plums, prumes, pears and summer apples.

Cost of selling to date and estimated for the balance of the year is 7 1/2¢ per box. This includes brokerage, local selling expense, traffic expense, manager's salary and travelling expenses, and all other sales expenses.

Approximately \$400,000 was borrowed to purchase supplies and provide for cash loans to members for harvesting. This loan has been repaid and all obligations met except current operating expenses.

## RETURNS REPORTED BY FOUR MINNESCTA ASSOCIATIONS

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The following table, made up from the annual reports of four live-stock shipping associations in Minnesota, shows the number of cars shipped by each during 1922, the proceeds of sales, amount paid to patrons, and percentage of total:

· Association	Cars Shioned	: Amount : Received :	Paid to	:	Per Cent of Total	
0				:		
Bricelyn Farmers' Shipping Assn.	175	\$272,764:	\$259,260	4	98.7	
Clearwater Shipping: Association	1 7		36,960	•	92,1	
Ormsby Shipping	:	:	JC, JCO	:	J = 9 ±	
Association : Maple Lake Farmers	: 64	: 85,588: :	annin amin	:		
Shipping Assn.		189,279:	187,522	:	99.0	

The Maple Lake Association reports that the expense of shipping was 48¢ per hundred live weight for hogs, 41¢ for cattle, and 75¢ for veal. The business of the Ormsby Association was doubled during the year. This association pays its manager a commission of \$15.35 per car, which covers all shipping-point expenses.

### FLORIDA ASSOCIATION MARKETS OVER SIX HUNDRED CARS

Six hundred sixty-three cars of produce were shipped during the 1921-22 season by the Manatee County Grovers' Association, Bradentown, Fla., according to statements recently issued. This association was organized among the vegetable growers of Manatee County in 1918 and claims to "stand firmly on the principle and policy of efficiency in moving the food crops into legitimate channels of trade, as directly and quickly and with as little lost motion and expense as possible."

Crops handled by the association include: Beans, beets, peppers, cabbage, celery, tomatoes, egg plant, lettuce, romaine and cauliflower.

The following table shows shipments for the several years, with receipts and percentages:

	Number of Cars Shirped	•	Total Receipts		Paid to Amount:		Carried to
: 1918-19 : 1919-20 : 1920-21 : 1921-22 :	504 702	*	\$\frac{\pi_79.393}{63!,169} 718.861 730.050	:	402,945:	: 63,84 : : 50,96 :	6,233 6,312

The second season the association decided it would be advantageous to own and operate its own packing plants, and it now owns four fine packing houses so located as to be easily accessible to all members.

When organized the membership numbered 67; at the beginning of the second year there were 129 members; the third year began with 204; and the fourth with 289. A large voluntary increase in the membership within the last few months is expected to result in at least 1.000 cars of truck to be marketed this season.

A division of field supervision relieves the growers of many burdens. The field manager locks after the crops from planting to harvesting and loading, consulting and advising with the growers. He also orders all cars for shipments and attends to having the packing houses well equipped and furnished with necessary supplies.

A traffic department, established two years ago, has effected considerable savings for shippers. The collection of claims, the knowledge of tariffs, routing of shipments, securing better rates, planning for cooperation between shippers and railroads, are some of the matters handled by this department.

Marketing information is furnished to members by means of a large bulletin board in the central office, showing prices in seven principal markets on commodities handled. Information is received by wire and the bulletin board is kept up to date.

#### VIRGINIA POULTRYMEN CRGANIZING FOR MARKETING

Announcement is made by the Virginia State Division of Markets of the organization of the Virginia Poultry Producers Cooperative Association, Inc., with headquarters at Richmond. The corporation is organized under the Virginia cooperative law of 1922, and is a noncapital stock, non-profit association, made up of individuals and companies engaged in the production of poultry and poultry products.

voting power of members is equal.

The marketing contract to be signed by members becomes effective October 15, 1923, unless signed prior to that date by producers controlling a minimum of 50,000 hens. According to the terms of the contract the producer appoints the association his sole and exclusive agent for the purpose of handling and marketing eggs. Liquidated damages for failure on the part of a member to deliver eggs to the association, are fixed at seven cents a dozen. Contracts can be cancelled by the association or by producers by written notices served between the 15th and 30th days of December of any year, such cancellation becoming effective the first of February following.

A prospectus, explaining the working of the organization, is being distributed.

## THE COOPERATIVE HEN IN NEW HAMPSHIRE

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A mimeographed sheet entitled "The Cooperative Hen" is being issued monthly by the New Hampshire Cooperative Marketing Association, Inc., Manchester, N. H. The April 21 issue contains the information that 74,000 dozen eggs were received in March against 64,000 dozen in February. Of the 74,000 dozen, 90 2/3% graded "Just Laid;" 6 1/3% graded seconds; 2 1/2%, cracks; and 1/2 of 1%, blood spots or broken. Careful instructions are given in this issue regarding packing for shipment.

The association moved on April 14 into a larger and betterequipped building, and now has better facilities for handling eggs and other products. The manager reports that between 600 and 700 cases of eggs are being handled every week, and the business amounts to \$50,000 per month. The egg department has 526 members under contract, and the wool, apple, potato and hay department has 158. Purchases are also made for members.

## NEW MISSOURI BULLETIN ON LIVE-STOCK SHIPPING

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A new bulletin issued by the Agricultural Experiment Station, College of Agriculture, University of Missouri, January, 1923, is entitled "Cooperative Live Stock Shipping Associations in Missouri." The information presented is both historical and statistical. A number of tables are given, showing costs of marketing and other factors.

#### FARMERS: BUSINESS ORGANIZATIONS FUNCTIONING ON A LARGER SCALE

Tata collected by the United States Department of Agriculture indicate that the average volume of business done by farmers' buying and selling associations was larger in 1921 than the averages for 1915, 1914, 1915, 1916 or 1917. Many of the associations which reported during the five years, 1913-17, regarding volume of business, have submitted similar statements for 1921. The tabulated reports from 532 associations for the years 1913 and 1921 show an increase of over \$48,000 in the average volume of business. Reports from 641 associations for 1914 and 1921, show an increase of over \$58,000; reports from 298 for 1915 and 1921, show an increase of over \$50,000; from 534 for 1916 and 1921, over \$55,000; and from 499 for 1917 and 1921, over \$5,000 increase.

While a portion of the increase in the several instances is undoubtedly due to the higher price level in 1921 than in the years 1913-17, the greater part is due to a larger amount of business by the associations. As the associations reporting are located in the different geographic divisions of the United States, and as they are engaged in the handling of the various farm products, it is reasonable to assume that farmers' business organizations of to-day are operating upon a larger scale than prior to 1917. The detailed figures for the several years are as follows:

Assns.	:	Year:	Volume	: Average::	Year:	Volume	: Average:	Average
Report-	:	:	οf	: per ::	:	of	: per :	Increase
ing	:		Business	: Assn. ::	:	Eusiness	: Assn. :	
632	:		391,425		1921:	000 omitted \$122,293		\$48,842
641	•	1914:	88,001	137,287::	1921:	132,212	206,258:	68,971
2.98	:	1915:	34,081	114,365::	1921:	49,004	: 164,711:	50,346
534	:	1916:	68,435	128,155::	1921:	98,358	: 184,191:	56,036
499	:	1917:	91,738	: 183,024::	1921:	95,475	: 191.332:	8,290

## RAISIN GROWERS PROCEEDING WITH REORGANIZATION PLANS

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The reorganization campaign of the Sun-Maid Raisin Growers, Fresno, Calif., was successfully concluded May 5. According to a statement issued by Gerald F. Thomas, of the Raisin Growers, the association "emerged from the campaign with greater financial strength and crop control than ever before." Preferred stock was sold to the amount of \$2,500,000 and a new crop contract substituted, omitting the proviso for an advance of  $41/4\phi$  a pound on delivery. A subsidiary manufacturing company is to be formed and an advisory board of thirty is to be selected from among the grower members.

## SHIPS MORE THAN ONE THOUSAND CARS OF FRUIT FIRST YEAR

During its first year of operation, 1922, the Illinois Fruit Exchange, Centralia, Ill., shipped 501 cars of apples, 432 cars of peaches, 50 cars of pears, 66 cars of strawberries, and 3 mixed cars, making a total of 1,052 cars, which were distributed to 115 markets in the United States and Canada.

The exchange is made up of twenty local units, ten of which provided themselves during the year with central packing houses or grading equipment. These plants ranged in cost from \$1,000 where buildings were rented and machinery installed, to \$10,000 for new buildings with full equipment for packing and grading. The manager strongly favors the establishment of more packing houses. He states, "Experience has demonstrated that it is less expensive, and better standardization can be obtained through central packing houses. All grading should be centralized where practical." He also recommends the planting of fewer varieties,

At the annual meeting of the exchange, February 20, 1923, the secretary stated that out of 821 members about 20 broke their contracts for delivery of fruit during the year.

Reports presented by the auditor show a net gain for the year of \$3,816.19 above operating expenses, and a net worth of \$2,290.77. A deficit of nearly \$1,000 at the beginning of 1922, for organization work, has been wiped out.

#### WHEAT GROWERS! ASSOCIATION TO PAY FOR STORAGE ON FARMS

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In view of the fact that it expects to handle 10,000,000 bushels of the 1923 wheat crop, the Oklahoma Wheat Growers Association, Enid, Okla., is planning to allow members of the association one cent a bushel a month on all wheat stored on the farms after August 1. This plan will aid in relieving congestion at terminal elevators, and the growers who are financially able to hold their wheat a few weeks will receive the storage therefor.

The association now has more than 7,500 members, more than 2,000 of whom have joined since the 1922 harvest.

## BROOMCORN MEN FORM ASSOCIATION

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The incorporation of the Broomcorn Growers' Cooperative Association of Oklahoma has been completed and a board of directors elected. Oklahoma produces more than 50% of the Nation's crop of broomcorn and it is proposed to have more than half of the year's crop under contract before marketing begins. Membership in the new association will be open to broomcorn growers in the neighboring States.